RISK MATRIX SEWER SERVICE USE CHARGE FUND	C-1 The Public Works Permitting division notifies the Environmental Enforcement Division of ESD of all major new developments for industrial users.	C-2 Environmental Enforcement determines which companies should be monitored.	department forwards monthly Building	C-4 IT generates a report from the County parcel change tape for sewer services. The Principal Account Clerk reviews the report, keys appropriate changes and initiates computer upgrade.	the Sewer Billing Unit obtains the	C-6 The sewer billing database is periodically crosschecked to other County and City databases.
REVENUES - Sewer Service and Use Charges:						
T-1 Parcel locations in the database are not accurate (users are not charged for services)	A	Α	A	А	А	Α
T-2 Parcel coding the sewer database is not accurate (e.g. type of business)			A			
T-3 Flow information is not accurate			, ,			
T-4 Loss adjustment factors in the database are not documented and/or appropriate						
T-5 Sewer fee calculations are not accurate						
T-6 Treasury is not following up on delinquent in-house invoiced acocunts						
T-7 The sewer billing database is vulnerable to disruption						
REVENUES - Rate Structure:						
T-8 City is not in compliance with the Muni Code requirements setting sewer fees						
T-9 City is not in compliance with state revenue guidelines						
T-10 Rates are inappropriate, inaccurate, inequitable, excessive, or out of date						
T-11 City is not in compliance with Prop 218						
REVENUES - Sources of Funds						
T-12 County remitted sewer service charges are inaccurate						
T-13 Pooled investment earnings (interest income) are not properly distributed among the						
wastewater funds						
T-14 Cash balances are unnecessarily high						
EXPENDITURES - Direct Expenditures:						
T-15 Allocation of department costs and direct charges to the SSUC Fund are inappropriate						
and/or not in compliance with Muni Code						
T-16 ULFT rebate program is not needed for new installations						
EXPENDITURES - Transfers:						
T-17 Transfers to other funds are inappropriate and/or not in compliance with Muni Code						
T-18 Money transferred to other funds are commingled inappropriately						
T-19 Interest transfers to the General Fund were unnecessarily discontinued						
T-20 Overhead transfers to the General Fund do not cover General Fund costs.						
EXPENDITURES - TPAC:						
T-21 Cost distributions between the City and tributary agencies do not accurately reflect actual						
usage						
T-22 The City is paying more than its proportionate share for community relations costs and/or						
wastewater reduction incentive programs						
FLOW OF FUNDS AND ORGANIZATIONAL RESPONSIBILITY- Complexity of Fund Accounting	ng and Division of Respons	sibility:				
T-23 Funds have outlived their usefulness						
T-24 Complexity of the flow of funds requires staff to spend too much time on fund accounting						
T-25 Responsibility for monitoring the flow of funds is divided, too decentralized and not adequately coordinated						
T-26 Organizational division of wastewater responsibilities creates operational inefficiencies						
(aspects of the program are organizationally misplaced)						
FLOW OF FUNDS AND ORGANIZATIONAL RESPONSIBILITY - Interfund loans:						
T-27 Loans to other funds are not formally documented, recorded, authorized and/or approved						
= ====================================						
T-28 Interfund loans are not repaid						
T-29 Interest on loans to other funds is not being accrued						
L. III miles set on reasile to sailer raises to flot boing decreed	1	1	l			

					5-0				
C-7 Treasury's investigator-collectors conduct (1) field checks of new annexations, (2) group field checks of at least two parcel map books per year, and (3) regular field checks requested weekly by the Sewer Billing Unit.	C-8 The Sewer Billing Unit audited all parcels coded "septic" about three years ago.	C-9 Competent staff with many years of experience take considerable pride in the accuracy of "their" database.	C-10 ESD-monitored companies can be moved to the sewer billing database if flow decreases or if the nature or composition of the flow changes.	multi-family dwellings	C-12 Customers check their bills for accuracy and notify the City of any errors.	C-13 The Sewer Billing Unit obtains quarterly water usage information from all three water companies, and inputs this information into the database.	in the database for	(San Jose Water Company sends water data on some ESD-monitored	C-16 Source Control Inspectors (Environmental Enforcement) in ESD are responsible for determining all loss adjustment factors.
A	Α	A	A						
A	Α	Α		Α	Α				
					Α	A	A	A	
									A

type of business are reviewed by ESD as needed and/or	C-18 Residential fees on inhouse invoices are calculated by computer; commercial fees on inhouse invoices are calculated by staff. Tax roll fees are calculated by computer. Sewer Billing staff verify that rate tables in computer match Council resolution.	house invoices see the parcel street address, the parcel number, the assessment period, a breakdown of the sewer and	C-20 Monitored industries see spreadsheets showing calculation of fees.	C-21 Fees related to monitored companies are calculated using a database.	C-22 Staff review fee calculations for monitored companies (actual fees should closely match estimates).		C-24 Sewer Billing runs periodic reports of unpaid balances.	C-25 As part of its regular annual assessment cycle procedures, the Sewer Billing Unit applies ten percent penalty to delinquent accounts, and adds unpaid balances to next year's property tax roll.	C-26 Monitored industries are billed using the City's invoice system. Any delinquent payments are followed up by Treasury Division as part of its normal procedures.	C-27 The computer system is located at IT; IT staff are responsible for backup and contingency planning.
A	A	A	A	A	A	A	A	A	A	
										A

						3-03E					
C-28 Rates are reviewed and approved annually	C-29 Rates are submitted to the Budget Office for review and to the City Attornye's Office for drafting of sewer service rate resolution to ensure compliance with Muni Code.	C-30 The State Water Resource Control Board reviews and approves the City's rates annually.		C-32 ESD is in the process of issuing an RFP to hire a consultant to reevaluate the rate structure and assess conformity with Prop 218.	C-33 City Attorney opinions on Prop 218 are supported, properly reviewed and approved.	provides Accounting with documentation of total sewer and storm drain amounts placed on the tax	C-35 Accounting oversees the monthly distribution of interest among the funds.	audits	C-37 Beginning in 1997-98, Budget and Finance now sweep interest from 540 and 539 directly to the General Fund.	balances are earmarked for specific	C-39 High cash balances are maintained to keep the Fund's cash balances from going negative (541 receives money from the County only twice per year in January and June.)
A		A	A	Α							
			, ,	A	A						
						A	A	A	A		
										А	A

C-40 Fund 541 is a multi- department fund and ESD and theBudget Office work closely to ensure that current and future funding requirements are identified and planned for.	C-41 Allocation of department costs and direct charges to the SSUC Fund are budgeted, reviewed, and approved.	C-42 Budget Office review.	and Public Works have	C-44 Public Works distributes labor costs bi-weekly.	C-45 ULFT program is mandated by the South Bay Action Plan and allows the City to comply with flow capacity.	C-46 ESD periodically assesses the impact of ULFT program and reports to the TP&E Committee.	C-47 The ULFT rebate program is primarily funded by SCVWD and is an area wide program including various sanitation districts.	C-48 Current area wide ULFT program has been reviewed and approved by TPAC and City Council	C-49 Transfers to other funds are budgeted, reviewed, and approved.		reconciles budget to actual
	А	Α	А	А							
					A	Α	A				
									А	A	A
		A									

C-52 City Attorney has reviewed interest transfers for compliance with Prop 218.	C-53 Finance calculates overhead rates annually.	C-54 City and tributary agency contributions are recalculated annually based on the master agreement.	contributions are reconciled to actual expenditures	approves operations and maintenance costs, capital expenditures and	C-57 Contributions for debt service, O&M, and capital, including SBWRP, are tracked by agency.	C-58 Detailed reconciliations are submitted to managers from other districts for their review.	C-59 Tributary agencies conduct education programs within their own jurisdictions.	C-60 Tributary agencies participate in joint interagency programs funded through WPCP (fund 513).	C-61 Joint community relations and wastewater reduction incentive programs are reviewed by all agencies, including San Jose, and approved by TPAC.	C-62 Each fund has a legal reason for being and/or exists to comply with the master agreement and the joint powers agreement between San Jose and Santa Clara.	are used for tracking
Α											
	A										
		Α	А	Α	А	Α					
							Α	А			
										А	Α
										А	

C-64 Funds are used to avoid commingling non-Proposition 218 revenues with Proposition 218 revenues.	C-65 Funds are closed out once their purpose has been served.	C-66 Debt service requires separate tracking (ie. Funds 530 and 534 are yield restricted).	funds are reviewed and	responsibility for monitoring wastewater	has received approval for additional staff to	C-71 1993-94 reorganization of OEM, WPCP, and divisions of the Public Works departments yielded ESD.	C-72 No loans out of the sewer fund (fund 541).	C-73 Loans are documented, recorded, authorized and/or approved.	C-74 Loans are repaid according to the terms of the loan agreements.	C-75 Interest is accrued and/or transferred according to the terms of the loan agreements.
A	A	A								
			Α							
				А	А					
						A				
				A A			A A	Α	A	
				A			A		Λ	А